

VIRGINIA PORT AUTHORITY BOARD OF COMMISSIONERS SESSION 396

SEPTEMBER 24, 2019



AGENDA

- Committee Reports and Chief Reports
 - Finance and Audit Committee
 - July Financial Performance
 - Administration and Compliance
 - Growth and Operations Committee
 - Operations Report
 - Sales Report
 - Human Resources
 - Innovation
 - Development and Government Affairs
 - Marketing

FINANCE and AUDIT COMMITTEE

Rodney W. Oliver
Chief Financial Officer

JULY FINANCIAL PERFORMANCE

OPERATING REVENUES AND EXPENSES:

For the Month Ended July 31, 2019

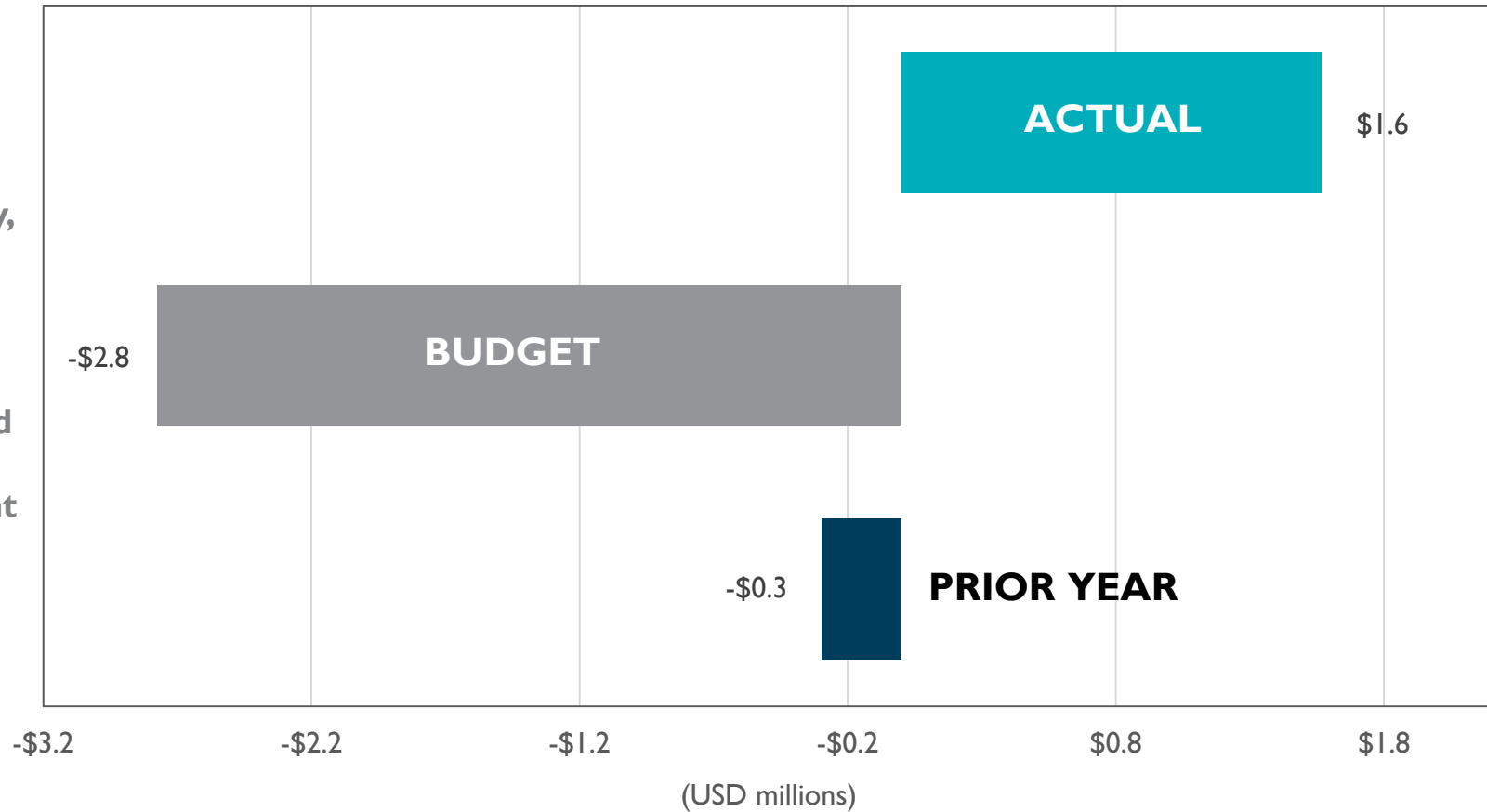
NOTE: For purposes of comparability, the lease amortization and lease interest have been replaced with the full lease payment for Actual, Budget and Prior Year.



OPERATING INCOME (LOSS):

For the Month Ended July 31, 2019

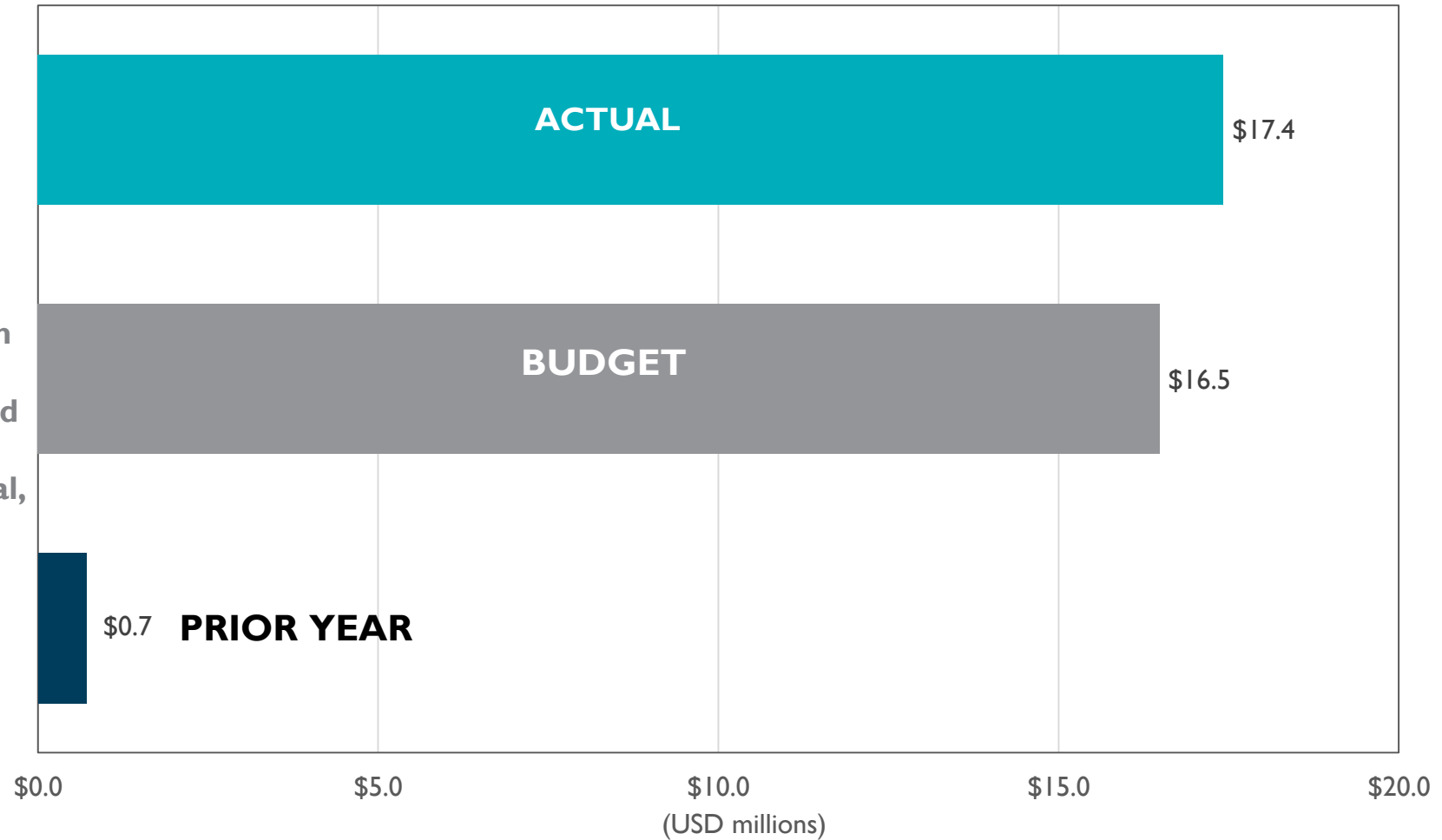
NOTE: For purposes of comparability, the lease amortization and lease interest have been replaced with the full lease payment for Actual, Budget and Prior Year.



CHANGE IN NET POSITION:

For the Month Ended July 31, 2019

NOTE: For purposes of comparability, the lease amortization and lease interest have been replaced with the full lease payment for Actual, Budget and Prior Year.



Questions?

ADMINISTRATION SERVICES AND COMPLIANCE REPORT

Matt Barnes-Smith
Chief Administration Officer

ASSET MANAGEMENT

- Multi-year processes
- Improved mid term capital planning
- Using industry experts as guides

Phase 4: Enhance FY22-FY23

Populate asset strategies, develop asset risk models. Define performance management dashboard.

Phase 3: Develop FY21-FY22

Prepare asset lifecycle and functional strategies. Prepare Asset Management Plans. Define asset management competencies. Continue to improve asset information, develop and implement root cause analysis processes. Document key business processes.

Continual Improvement

Optimized capital and maintenance planning. Efficient and effective service delivery. Comprehensive asset strategy that aligns to VPA's strategic objectives. Common asset management practices across all Departments.

Phase 2: Foundational Elements FY20-FY21

Develop the AM Policy and SAMP. Develop information improvement plan, develop asset hierarchy, and improve data quality. Prepare maintenance strategy. Agree on key business processes. Put in place AM Leadership & Governance. Implement capital asset spares initiatives.

Phase 1: Assess FY19

Assess VPA's asset management capabilities and prepare roadmap of improvement initiatives.

SMALL BUSINESS & SUPPLIER DIVERSITY

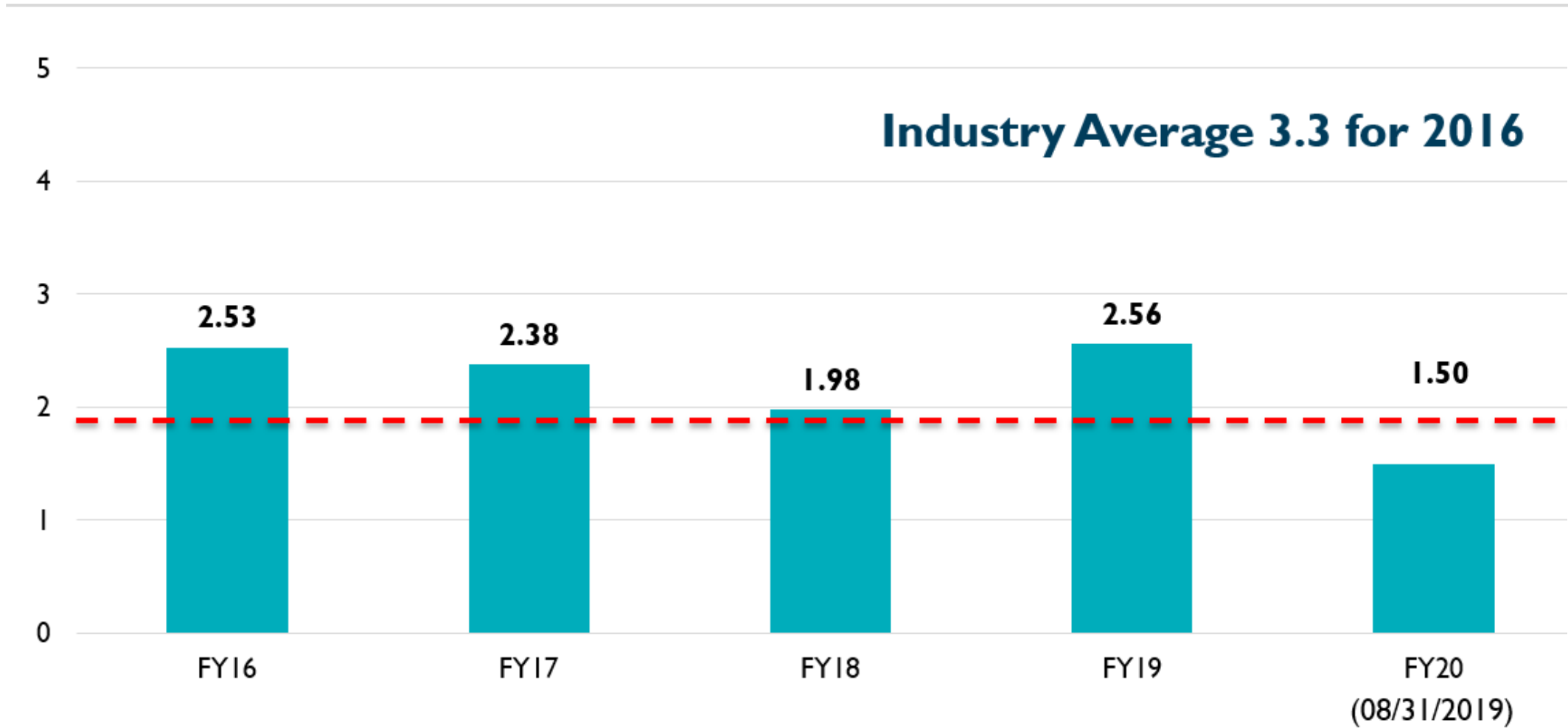


Questions?

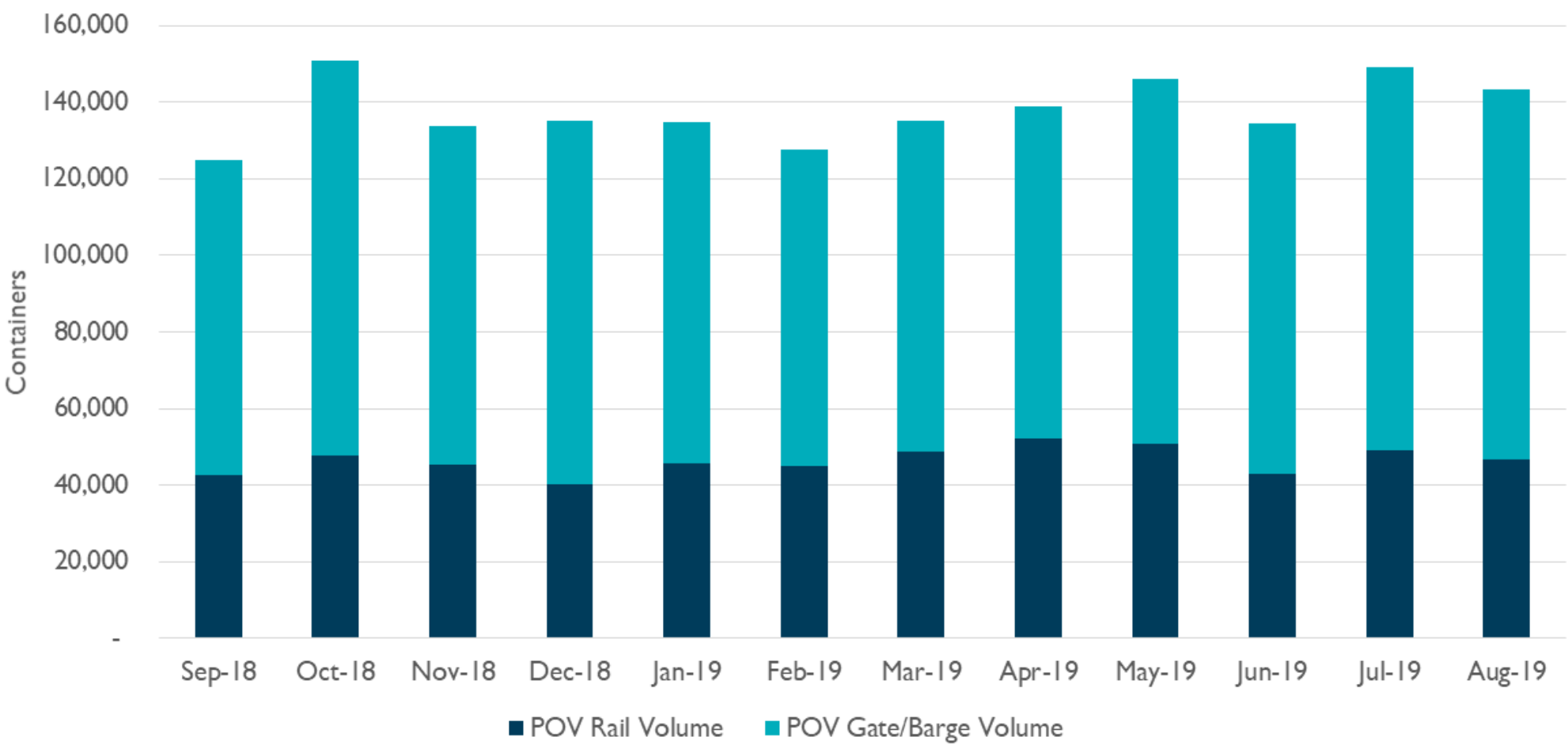
OPERATIONS REPORT

Kevin Price
Chief Operations Officer

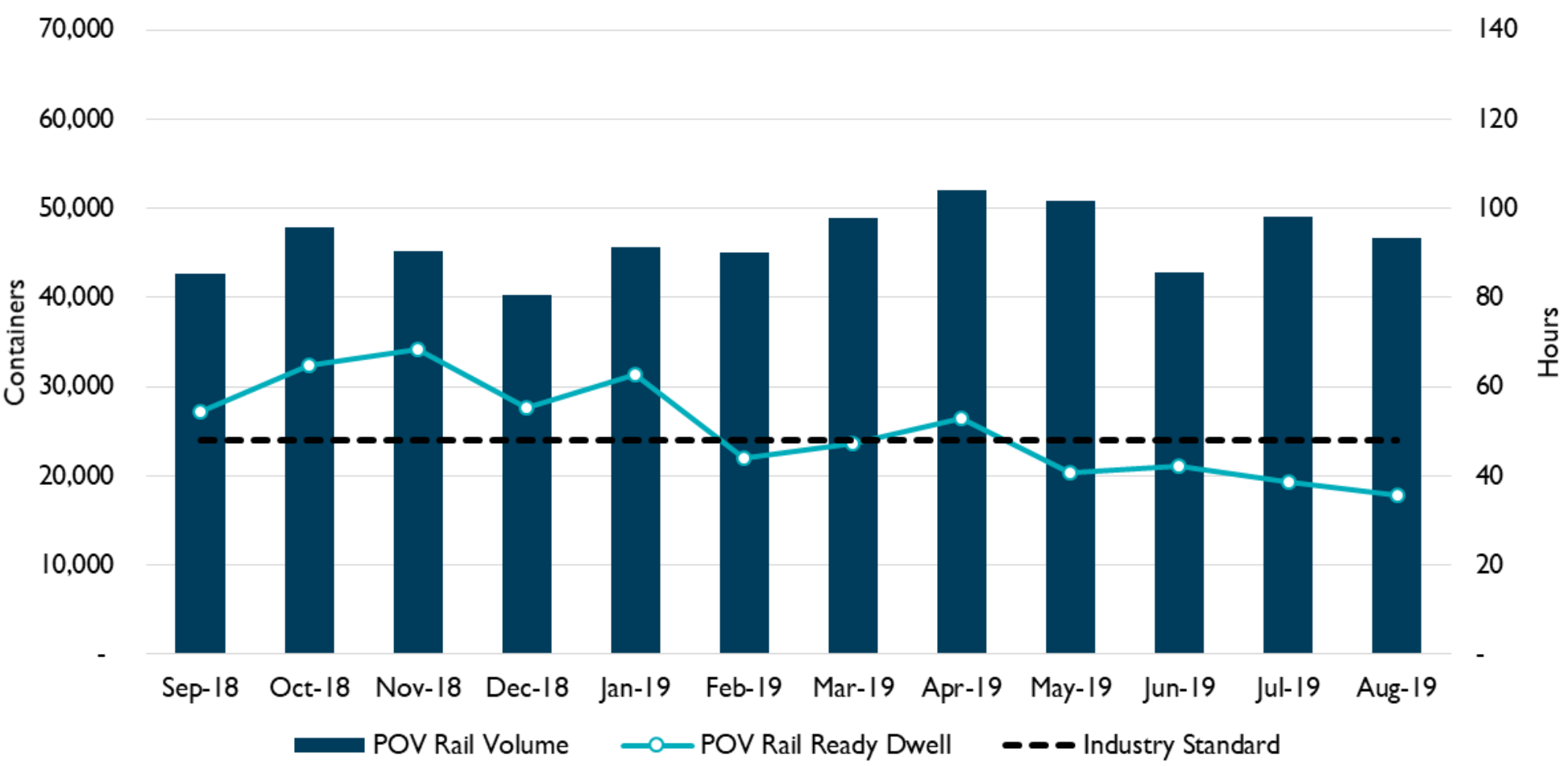
POV OSHA LOST WORK DAY RATE



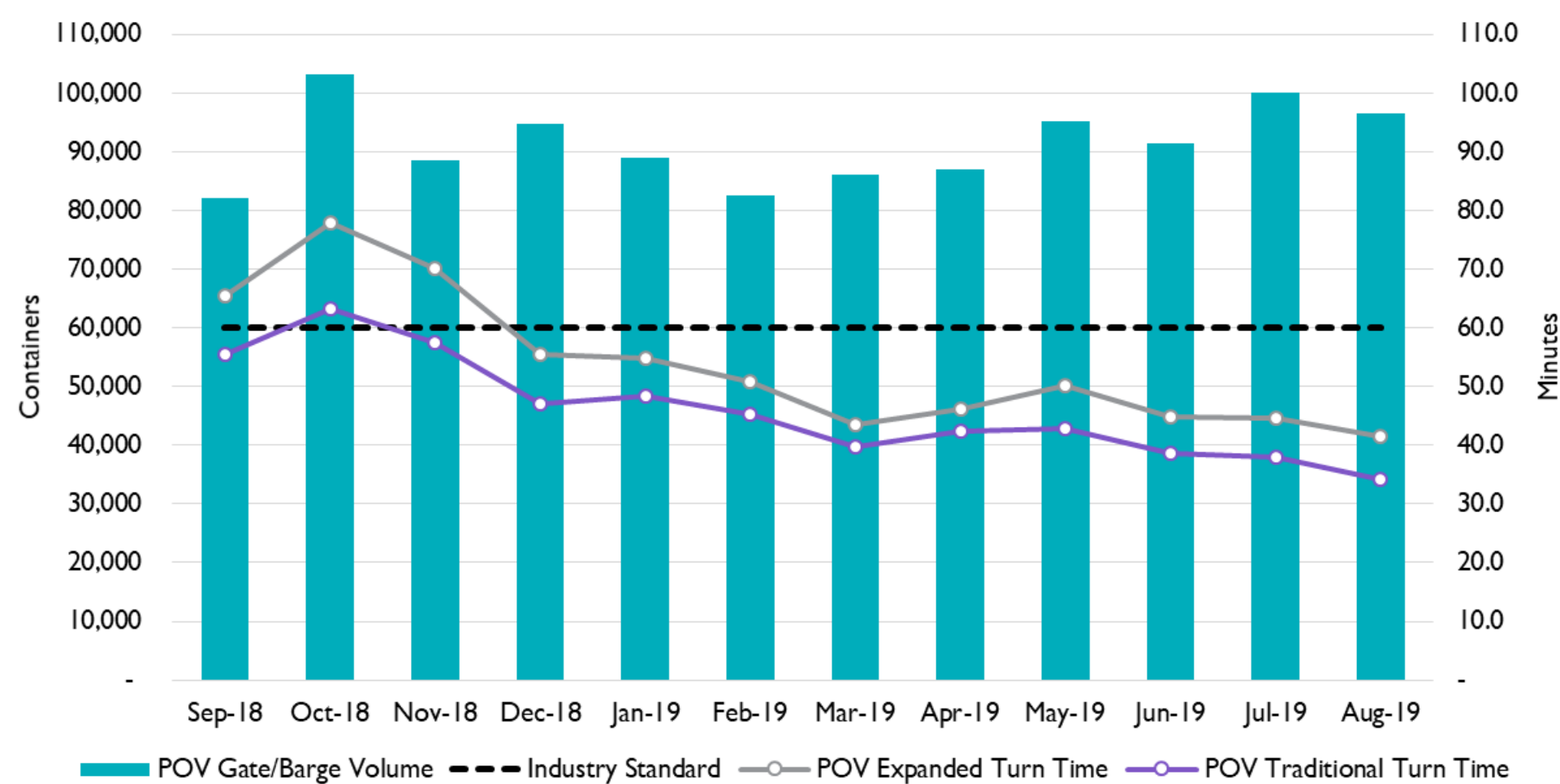
POV RAIL VS GATE/BARGE VOLUME



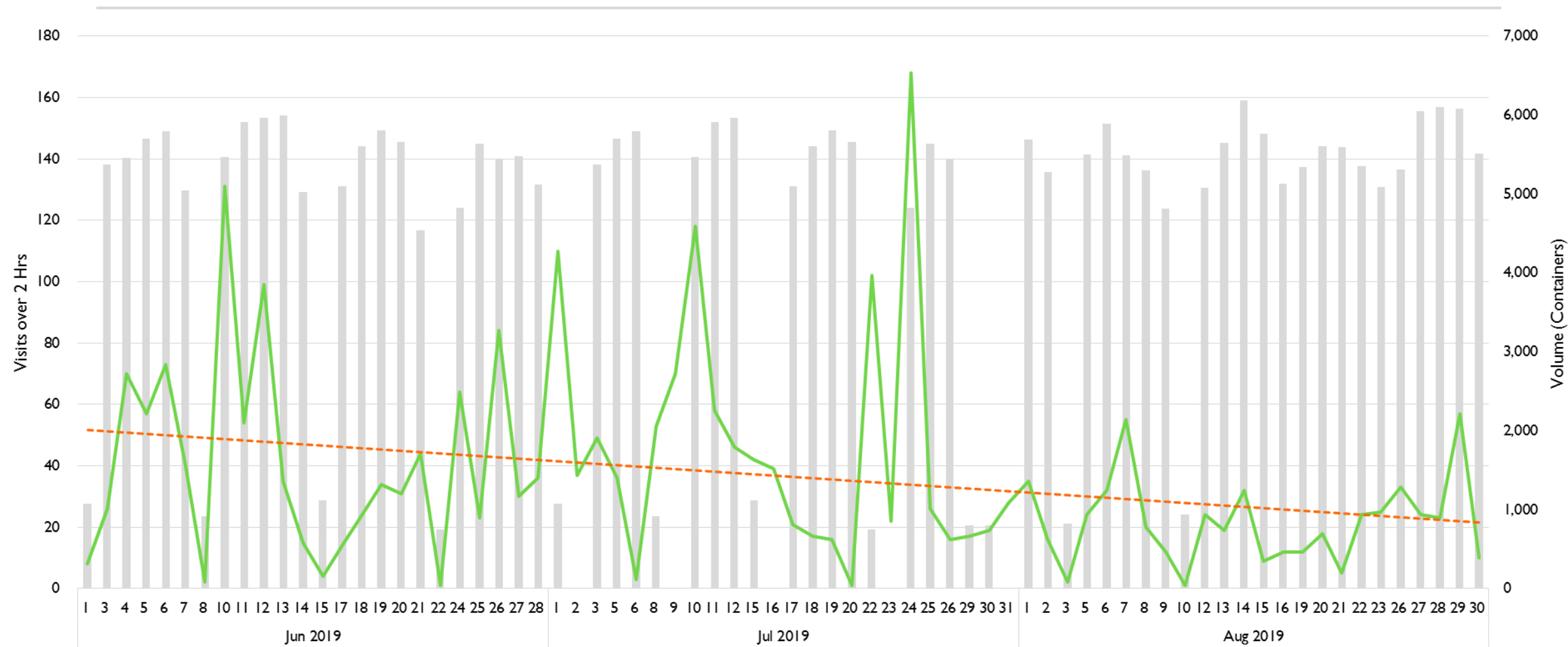
POV RAIL VOLUME



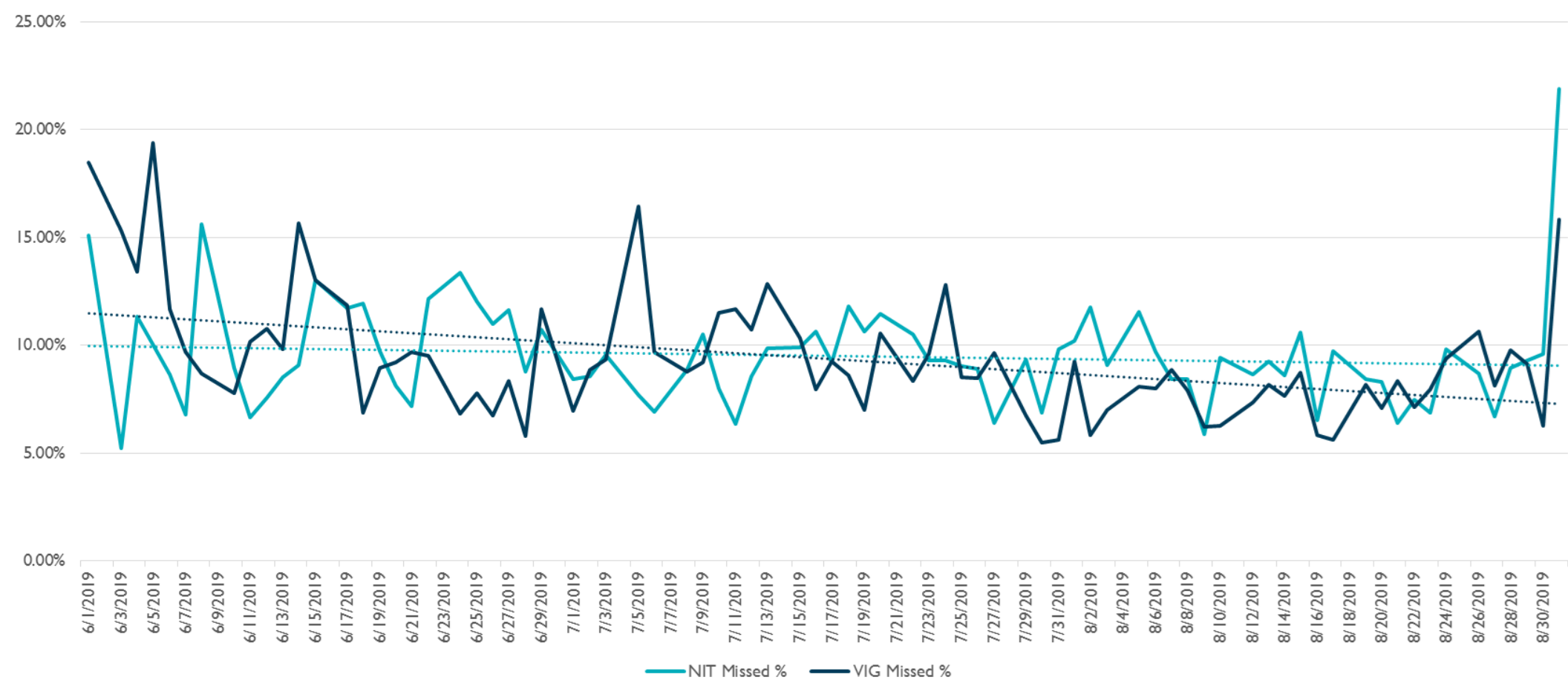
POV GATE TURN TIMES



POV TRUCK VISITS WITH TURN TIME OVER 2 HOURS

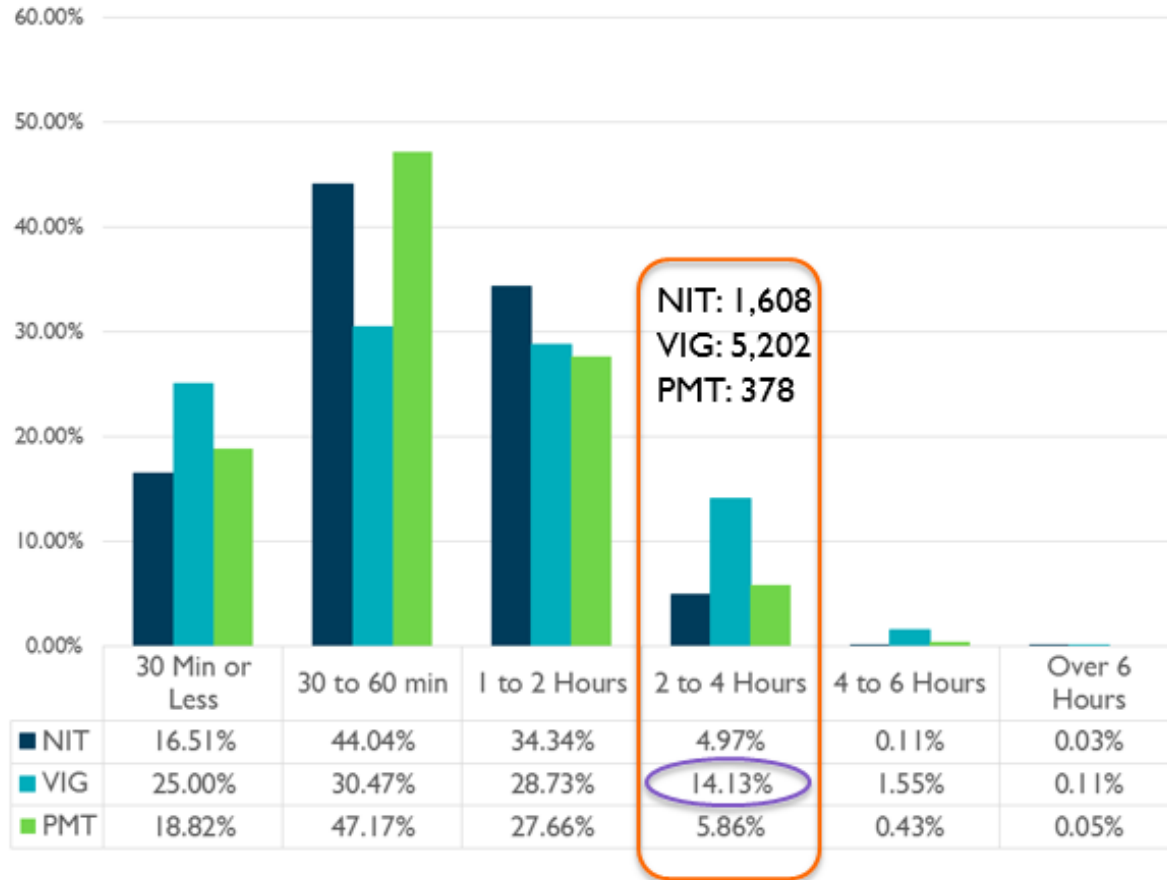


MISSED RESERVATIONS

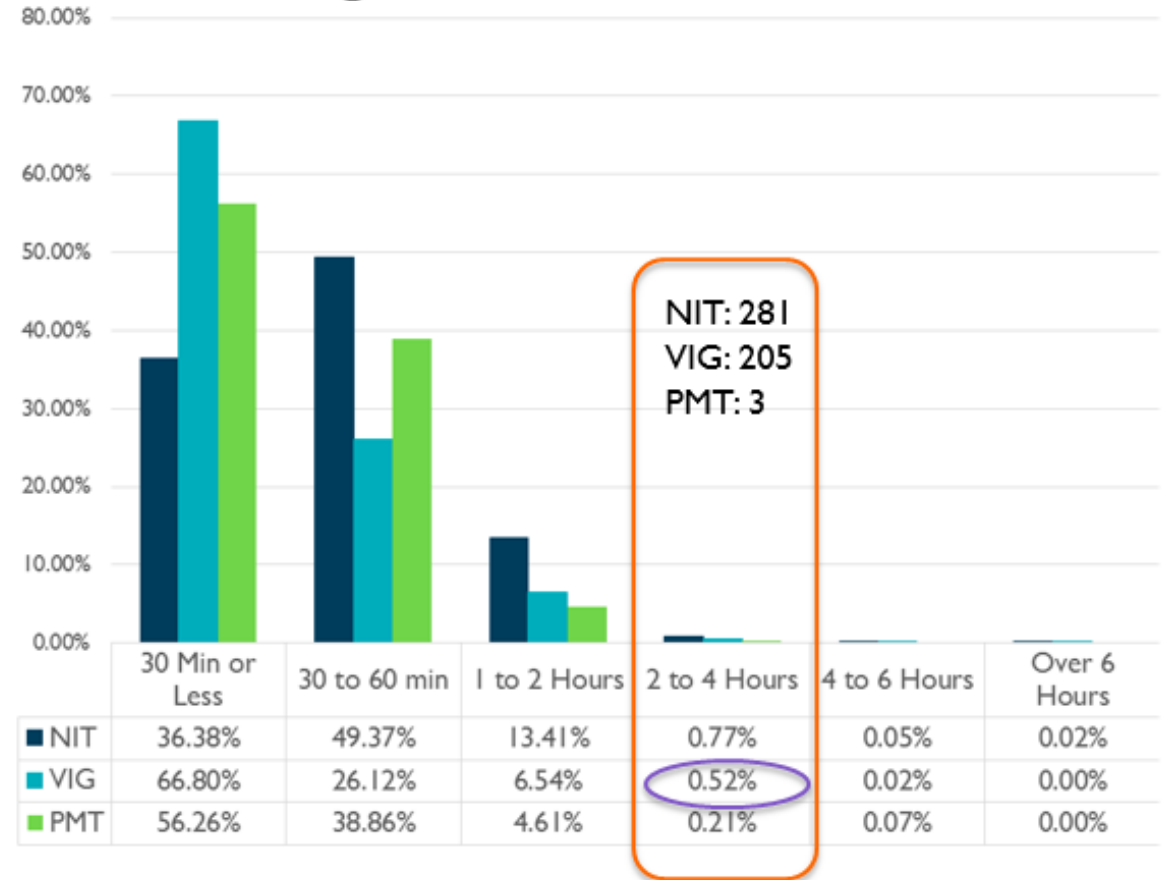


TRADITIONAL TURN TIME – OCT 2018 vs AUG 2019

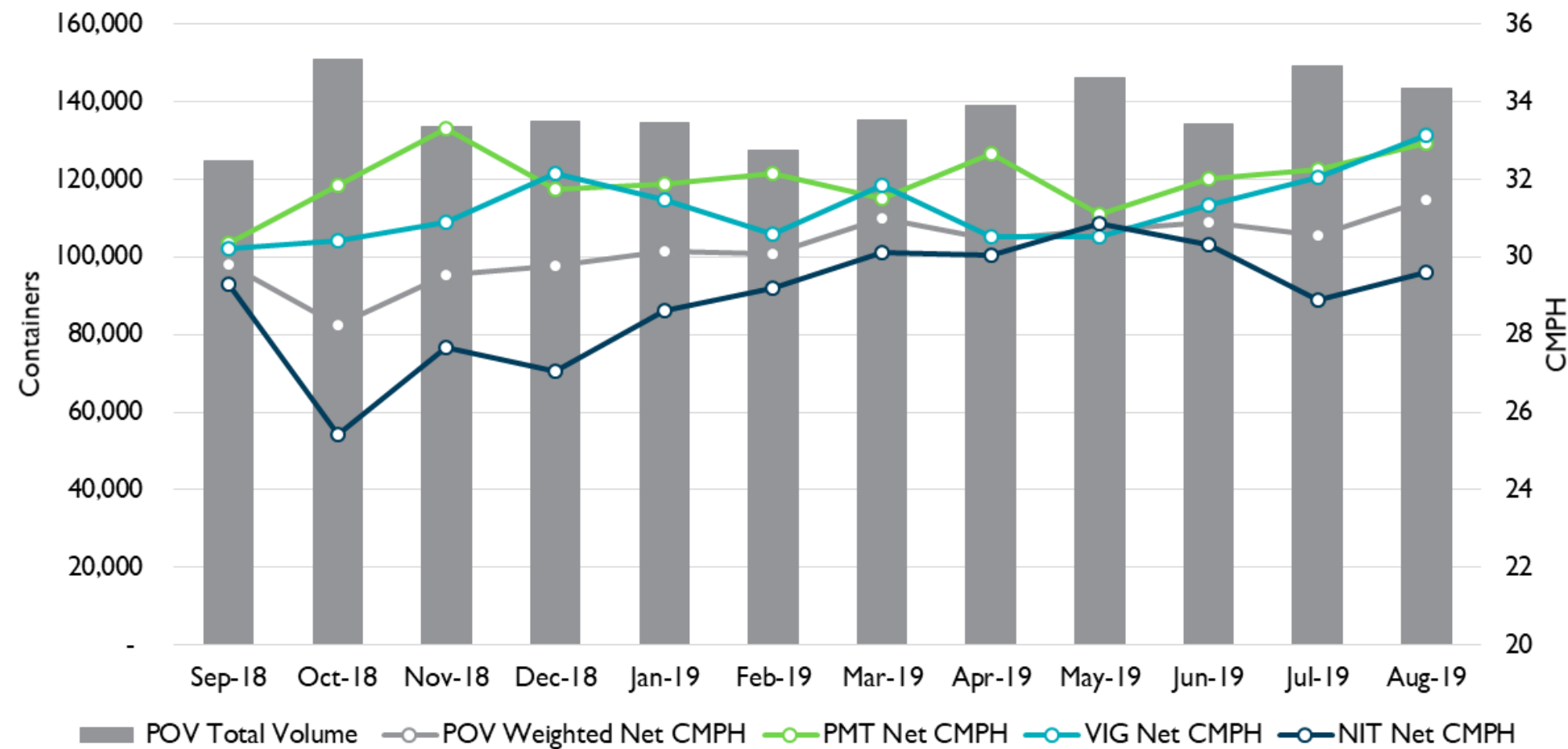
Oct 2018: 75,625 truck visits



Aug 2019: 77,744 truck visits



NET CRANE MOVES PER HOUR



Questions?

SALES REPORT

Tom Capozzi
Chief Sales Officer

POV FISCAL YEAR-TO-DATE VOLUMES JULY-AUG 2019

	FY 2018	FY 2019	Change	% Change
Total TEUs	511,500	523,235	11,735	2.3%
Export Loaded TEUs	166,365	161,610	(4,756)	-2.9%
Export Empty TEUs	104,909	111,101	6,193	5.9%
Import Loaded TEUs	237,174	246,802	9,628	4.1%
Import Empty TEUs	3,052	3,722	670	22.0%
Total Containers	290,257	292,490	2,233	0.8%
General Cargo Tonnage	3,787,061	3,745,998	(41,062)	-1.1%
Container Tonnage	3,750,224	3,715,341	(34,883)	-0.9%
Breakbulk Tonnage	36,837	30,657	(6,179)	-16.8%
Total Rail Containers	103,505	95,745	(7,760)	-7.50%
VIP Containers	7,533	6,084	(1,449)	-19.2%
Total Barge Containers	10,053	11,171	1,118	11.1%
RMT Containers	6,235	7,122	887	14.2%
Total Truck Containers	176,699	185,574	8,875	5.0%
Ship Calls	291	268	(23)	-7.9%
Vehicle Units	5,306	3,419	(1,887)	-35.6%

TOP OCEAN CARRIERS

- 
- Ocean Network Express
 - Hapag Lloyd
 - CMA-CGM/APL
 - Maersk/Hamburg Sud
 - Mediterranean Shipping Company
 - COSCO/OOCL
 - Evergreen
 - Yang Ming
 - ZIM
 - Hyundai

TOP CUSTOMERS

EXPORT

- International Paper
- The Andersons
- Domtar Paper
- Carolina Ocean Lines
- Kuehne and Nagel
- Archer Daniels Midland
- Perdue
- Westrock
- Fornazor International
- The Scoular Company

IMPORT

- Walmart
- Target
- Red Bull North America
- Home Depot
- Amazon
- Ford Motor Company
- BSH Home Appliances
- QVC
- Dupont
- Stihl

OOCL CONTRACT UPDATE



PEAK SEASON PREPARATION



MILITARY SURFACE DEPLOYMENT AND DISTRIBUTION COMMAND AT PMT



THE PORT OF VIRGINIA

GLOBAL REACH

OCEAN CARRIER SALES VISITS

2019



SALES PRESENCE AT EVENTS CONFERENCES



September 16-18, 2019
Tarragona, Spain

JOC Events

CONTAINER
TRADE EUROPE

September 16–18, 2019
Hamburg, Germany



September 15–18, 2019
Long Beach, California



October 13–16, 2019
Istanbul, Turkey

TPM ASIA
泛太平洋海运亚洲

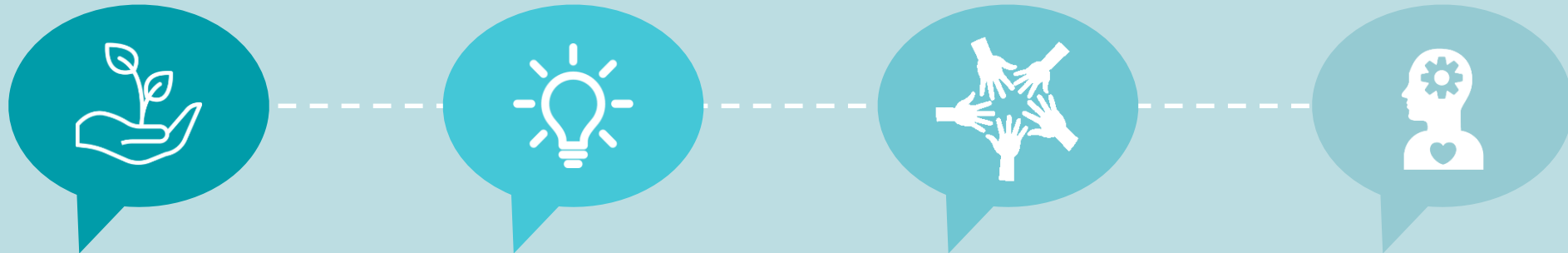
October 8-10, 2019
Shenzhen, China

Questions?

HUMAN RESOURCES REPORT

Jim Bibbs
Chief Human Resources Officer

COLLEAGUE ENGAGEMENT SURVEY



Coming Soon
October 14 – 25, 2019

FY19 PERFORMANCE REVIEWS



July 10 – August 9, 2019

FY20 GOAL SETTING

Completed
August 16, 2019



Questions?

INNOVATION REPORT

Joseph P. Ruddy
Chief Innovation Officer

CUSTOMER SERVICE

Transition to Innovation, customized service through automation,
increased use of analytics to reduce recidivism, production of metrics



STRATEGIC PLANNING & ANALYTICS

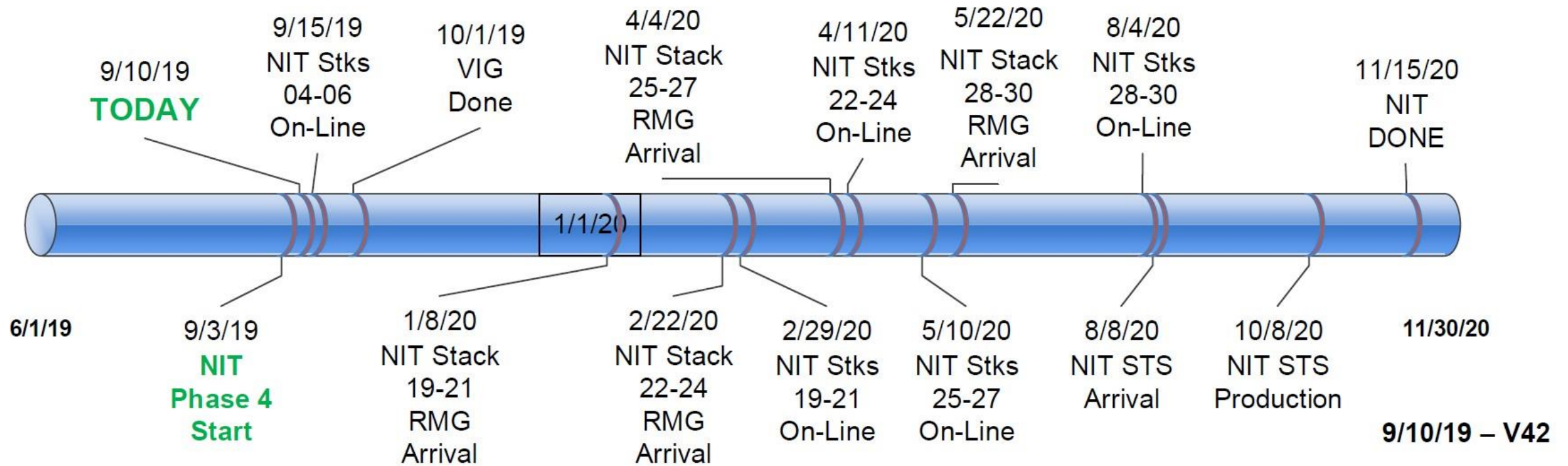
BERTH PLANNER & VESSEL PERFORMANCE DASHBOARD VESSEL OPTIMIZATION

		NNIT		SNIT				VIG			PMT	
		NB1	NB2	SB1	SB2	SB3	SB4	BERTH 1	BERTH 2	BERTH 3	B1	B2
FRI	0:00		EC1 MOL MOTIVATOR MOMR-045W ETA: 03/21 19:00 ETD: 03/22 18:00 1,240 LIFTS			TANGO E.R. BERLIN ERB-911S ETA: 03/21 23:59 ETD: 03/22 15:00 804 LIFTS						
FRI	4:00											
FRI	8:00											
FRI	12:00							821 MAERSK MONTANA 047910E ETA: 03/22 08:00 ETD: 03/23 03:00 1,264 LIFTS				
FRI	16:00											
FRI	20:00											
SAT	0:00	AL3 CHARLESTON EXPRESS CESS-066E										
SAT	4:00											
SAT	8:00	EIS GSL TIANJIN OOTN-0IN2OE1MA ETA: 03/23 08:00 ETD: 03/24 23:00 1,950 LIFTS						821 MAERSK IDAHO 761910W ETA: 03/23 08:00 ETD: 03/23 23:00 665 LIFTS		821 CHARLOTTE MAERSK 474910W ETA: 03/23 08:00		
SAT	12:00											
SAT	16:00					TANGO MONTE ACONCAGUA						
SAT	20:00											
SUN	0:00											
SUN	4:00											
SUN	8:00				AL7 ZIM CONSTANZA ZICO-062E ETA: 03/24 07:00 ETD: 03/24 20:00							
SUN	12:00											
SUN	16:00											

PROJECTS UPDATE



TIMELINE



Questions?

DEVELOPMENT AND GOVERNMENT AFFAIRS REPORT

Cathie Vick

Chief Development and Government Affairs Officer

NORFOLK HARBOR & CHANNELS DEEPENING

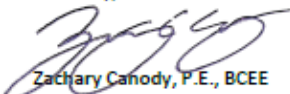


The contingency was developed through coordination with USACE's Norfolk District in order to comply with their standards. The apparent low bidder's base bid of \$78,625,500 is within 0.5% of the Engineer's Opinion of Probable Cost without the contingency included which is well within the normal AACE Class 1 Estimate tolerances and indicates a competitive and fair bid.

Based on VPA Engineering's review of the provided documentation, bidder qualifications, and availability to perform the work, VPA Engineering recommends that Weeks Marine be awarded the contract for IFB#2020-01 for their base bid total of \$78,625,500.00.

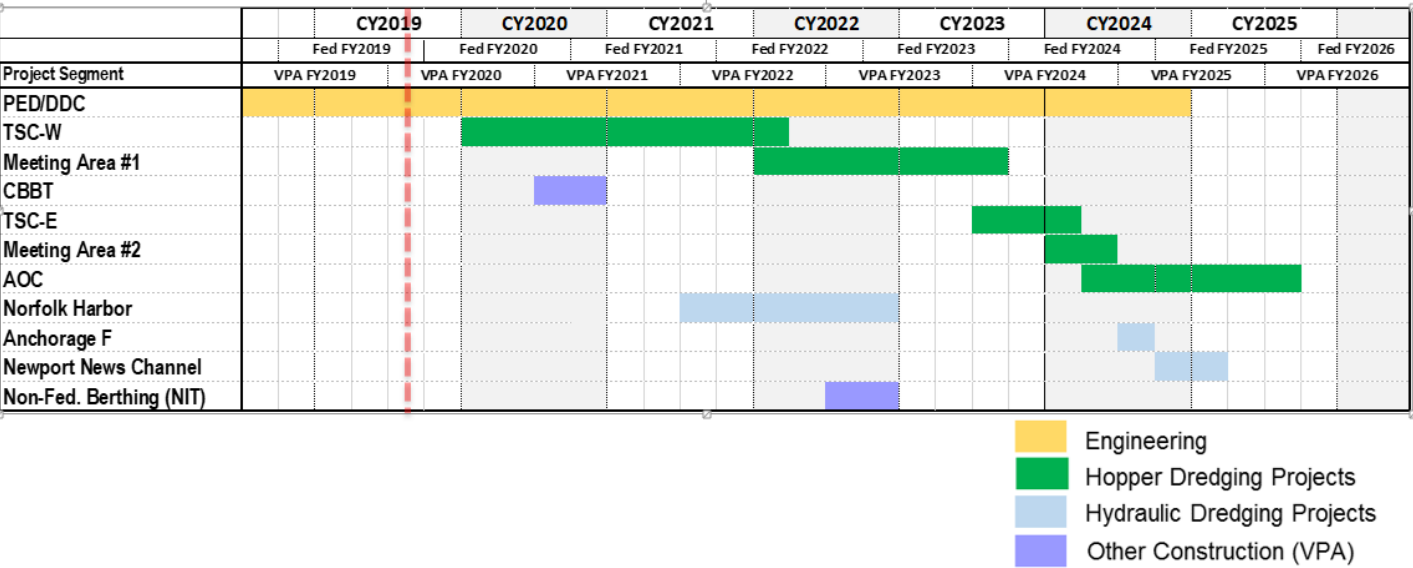
Please do not hesitate to call or email me (zcanody@portofvirginia.com) if you have any questions or wish to discuss.

Sincerely,


Zachary Canody, P.E., BCEE
Director, Engineering
zcanody@portofvirginia.com
757-634-5466

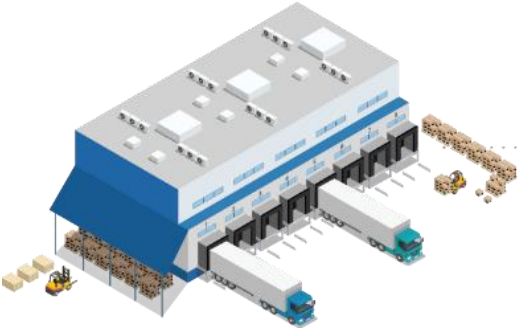
Enclosures: IFB#2020-01 Bid Tabulation

Next Efforts / Overall Schedule



CYTD 2019 ECONOMIC DEVELOPMENT TOTALS

30 ANNOUNCEMENTS

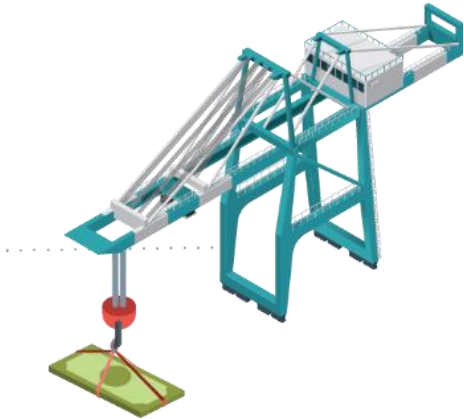


**MORE THAN 3,453,000 SQ. FT.
OF SPACE**



**CREATED
2,284 JOBS**

**INVESTED MORE
THAN \$1.7 BILLION**



Source: POV Economic Development September 2019

SDDC LOADOUT



SDDC Redeployment

- Contract Awarded
- August 30 – September 4th
- Striker Battalion
- 260 Pieces
- All by rail except 5 containers
- Excellent job by POV Operations

Questions?

MARKETING REPORT

Jay Stecher
Chief Marketing Officer

EARNED MEDIA UPDATE

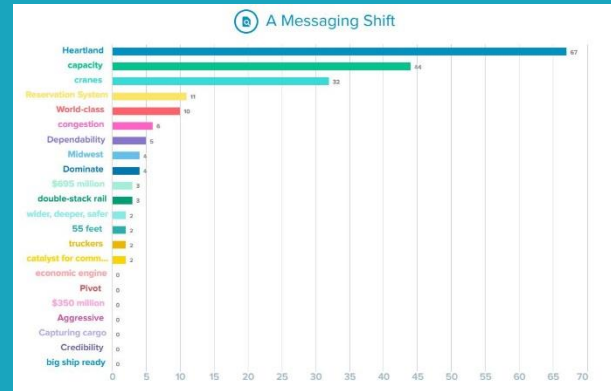
Shifting the messaging, increasing the quality, reaching new markets



NEARLY \$600,000
IN AD EQUIVALENCY
+47% compared to July 2019.



97% OF MENTIONS
were “good” or “neutral” in sentiment.



SHIFT IN MESSAGING

“Heartland” “Capacity” “Reservation System” “World Class” and “Cranes” take the Top 5 spots.

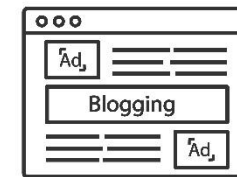
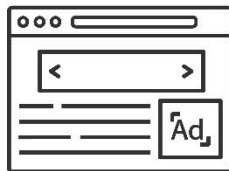
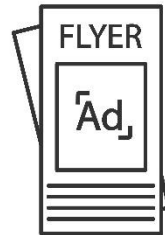
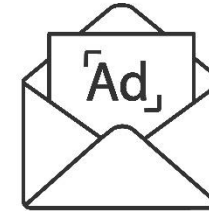
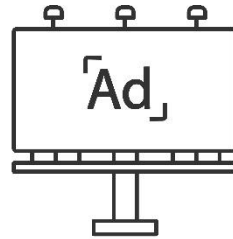
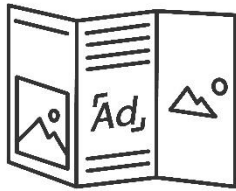


INTERNATIONAL COVERAGE

9 countries ran stories mentioning The Port of Virginia in August.

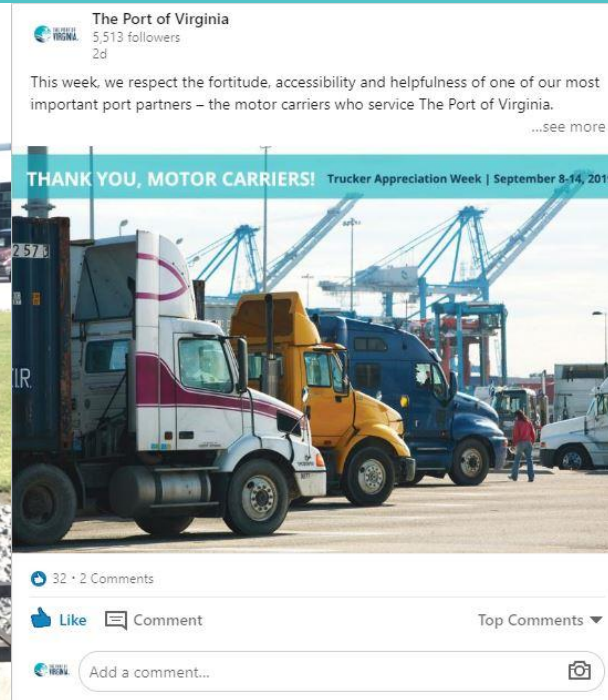
PAID MEDIA UPDATE

Driving efficiency and returns on advertising investments, strengthening our partnerships, personalizing experiences



OWNED MEDIA UPDATE

Refining our social media strategy, maximizing our messaging opportunities, creating a personalized site experience



Questions?